Alberta
ENERGY

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GAS ROYALTY CALCULATION INFORMATION BULLETIN
January 2006

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PLEASE ENSURE YOUR PRODUCTION ACCOUNTANTS RECEIVE A COPY OF THIS DOCUMENT.

A. PRICING RATES AND TRANSPORTATION INFORMATION

For Pricing, Royalty Rates and Transportation Information for November 2005, refer to Attachments 1, 1A, 2, 2A, and 3.

B. NOTICES

Submission of Production Year 2005 Allowable Cost (AC) and Corporate Average Price Calculation (VA) Forms

Royalty clients are advised that Allowable Cost forms (AC1, AC2, AC3, AC4 and AC5) and Corporate Average Price calculation forms (VA2 and VA3) for the 2005 production year are due on the following dates:

Form	Due Date	Penalty
AC1	March 1, 2006	
AC4	March 31, 2006	$200/form/year until form received
VA2	April 15, 2006	$1000 one time
VA3	April 15, 2006	$1000 one time
AC2	April 30, 2006	$100/form/month until form received
AC3	May 15, 2006	
AC5	May 15, 2006	$100/form/month, charged when form is received

Effective February 7, 2006, the filing method for annual allowable cost forms will be on the Registry. The business rules for filing allowable cost forms have not changed only the method of submission. Use of the Registry to submit allowable cost data is mandatory for operators and the department no longer accepts paper versions of these forms. The Registry must be used for both original submissions and/or amendments for current or previous production years for the AC2, AC3, AC4 and AC5 documents. Although use of the Registry to file AC3 and AC5 documents is mandatory for operators, it remains voluntary for non-operators. However, non-operators are strongly encouraged to use the Registry to submit and retrieve their AC3 and AC5 data.

The filing method of electronic transfer system (ETS) for the AC2 and AC4 forms was disabled on January 15, 2006 to enable the department to process those documents received prior to the cut-off date and to prepare for transition to the Registry.

The submission method and business rules for the Corporate Average Price forms (VA2 and VA3) have not changed.

Royalty clients will receive notification from the department when their annual forms have been processed. Annual allowable cost information will be processed nightly by the department; but, processing will not occur during an invoice cycle. However, new facility cost centre set-ups which are processed within a ½ day will continue to be generated during an invoice cycle. The Corporate Average Price forms will be processed as they are received.

The department encourages timely filing to allow sufficient time to submit, correct and resubmit any rejected documents prior to the respective due date. The department also encourages non-operators or those filing Corporate Average Price forms to do so by mail or by delivering them to the Calgary Information Centre. Forms that are submitted by fax should be a font size of 10 pt or greater and must **not** be in bold. Penalties will apply if valid system acceptable forms are not received by the due date and inability to submit annual cost forms via the Registry or illegible documents, providing no department error exists, will not be reason for reversal of penalty.

Any questions regarding the submission of annual documents can be directed to Tracy Wadson at (780) 422-9240.

Department Notifications When Clients are Amalgamated/Consolidated

Clients are reminded that when an amalgamation/invoice consolidation occurs, either by way of notification in the Gazette or from the client, the output generated by the department is issued to the supra client (consolidator/amalgamator). Clients may continue to submit data under the amalgamatee/consolidatee client ID until the amalgamation established date is passed; however, any notifications are issued to the amalgamator/consolidator. For example, if a consolidated client (and they are not the parent) submits annual cost data on the Registry they will receive notification in their Registry inbox indicating that their submission was either accepted or rejected. If the submission is rejected, the client will be directed to see the rejection notice in their Ministry Invoices & Statements for further details of their rejected submission, however, since the client is consolidated/amalgamated, their output is sent to their consolidator's Ministry Invoices & Statements and must be retrieved from there. Further questions can be directed to Tracy Wadson at (780) 422-9240.

Change to User Defined File (UDF) Handbook

Effective February 2006 billing period invoice, issued in the calendar month of April 2006, a column "Response to Cascade" will be added to the Crown Royalty Details (CRD). This is an enhancement which will provide more information about volumes that are cascaded. It is designed to provide the Facility ID that filed the final allocation resulting in royalty charges.

The UDF handbook has been updated with the new CRD column. This change will require industry software changes to incorporate the "Response to Cascade" column.

Notification of this change has been sent to known software providers. As a precaution and to ensure that all software providers have been notified please forward this information as deemed necessary.

To view the UDF handbook changes, go to the Natural Gas website's Royalty Related Information page, under Crown Royalty Detail Statement (February 2006).

For further information or to coordinate testing of these changes, please contact Penny White at (780) 422-9261.

Automation of the Condensate Royalty Invoice

Congruent with the department's commitment to industry to automate the calculation of condensate royalty, effective February 2006 production month invoice, issued in April 2006, condensate royalty will be reported as a line item on the invoice and included in the Statement of Account under a G94 account ID. Details included as part of the invoice package supporting the calculation of condensate royalty will not change. The condensate royalty calculation will remain in accordance with the existing method of determination that excludes allowable costs deductions and will not be an attribute in determining the Corporate Effective Royalty Rate.

The UDF handbooks have been updated to reflect this change. Please note: this change will require modifications to industry software to accommodate condensate royalty.

To view the changes in the UDF handbooks, go to the Natural Gas website's Royalty Related Information page, under Crown Royalty Detail Statement (February 2006) and Invoice (February 2006).

For further information, or to coordinate testing of these changes, please contact Bobby Gill at (780) 422-9265 or Penny White at (780) 422-9261, respectively.

Ownership Changes for a Facility Cost Centre (FCC) - AC1

Please note that when submitting a batch file for ownership changes on an AC1, files will be rejected if they contain duplicate sections within one transaction. For example, if ownership changes are required for FCC 1234567 for the period of 2005/01 and subsequent ownership changes occur effective 2005/05, two separate files must be submitted. Sending both ownership changes in one file will cause the file to be rejected.

If you have any questions, contact Penny White at (780) 422-9261.

C. MONTHLY INFORMATION

November 2005 Royalty Due February 28

- **Royalty clients are to remit the total amount payable shown on the February 2006 Statement of Account by February 28, 2006.** If the amount payable includes accrued current period interest, the interest has only been accrued to the statement issue date. Clients must also include the additional interest that has accrued from the statement issue date to the date of payment, using the per diem amount provided.

- **The February 2006 Statement of Account shows your amount payable as of the Statement issue date. It includes any outstanding balances from your previous statement, your November 2005 Invoice amount and any applicable current period interest charges. It also identifies refunds resulting from overpayments.**

- Current period interest will not be charged on current invoice charges for the production month of November 2005 if it is paid in full by February 28, 2006.
- Current period interest will accrue on any overdue charges commencing the first day after the due-date until it is paid in full.

  Note: If the due date falls on a non-business day, the next business day will apply as the due date.

- Cheques are payable to the Minister of Finance, Province of Alberta.

December 2005 VA4 Due February 15

The VA4 forms for the production month of December 2005 are due in the department offices by February 15, 2006.

Note: If the due date (15th) falls on a non-business day, the next business day will apply as the due date for VA4 forms.

December 2005 Production Reporting

December 2005 production reporting is submitted through the Registry. The deadline for submission of SAF, OAF, and Volumetrics is posted in the Petroleum Registry of Alberta website "Calendar" under Bulletin Board.

Changes to this calendar will be posted on the Registry web site home page in "Broadcast Messages."

Interest Rate January 2006

Alberta Energy's interest rate for January 2006 is 6.00%.

October Provisional Assessment Charge

The summary of Provisional Assessment Charges for all production periods in the October 2005 billing period was:

First Time Provisional Assessment	Reversals of Provisional Assessments	Net Provisional Assessment
$8,418,258.05	($11,351,472.10)	($2,933,214.05)

October Charges

The revised penalty table below shows at the form level, the total penalty charges and reversals, for the October 2005 billing period:

FORM	Penalty Charges	Penalty Reversals	Net Penalty Charges for 2005/10
AC2	$9,300	$0	$9,300
AC4	$0	$0	$0
AC5	$4,600	($4,300)	$300
GR2	$0	$0	$0
NGL1	$0	$0	$0
VA2	$0	$0	$0
VA3	$0	$0	$0
VA4	$100	$0	$100
Total	**$14,000**	**($4,300)**	**$9,700**

Alberta Royalty Tax Credit Program Quarterly Rate

For the first quarter of 2006, commencing January 1, 2006, the royalty tax credit rate will be .2500. This rate is based on a royalty tax credit reference price of $697.44 per cubic metre. The Alberta Royalty Tax Credit rates for the past year were:

Fourth Quarter, 2005	.2500
Third Quarter, 2005	.2500
Second Quarter, 2005	.2500
First Quarter, 2005	.2500

If you have any questions, please contact Brett Armitage of Tax Services at (780) 644-4063.

Gas Royalty Calculation Support

Gas Royalty Calculation staff will be available monthly to meet with clients who need assistance with royalty reporting. Royalty clients requiring assistance are encouraged to call Mary Spearing, Acting Manager, Client Services (780-422-9166) or e-mail mary.spearing@gov.ab.ca two business days before the meeting date to arrange an appointment. The February through March schedule is as follows:

Where:

AMEC Place
Room 437, 801-6 Avenue SW
Calgary, Alberta
Phone: 403-297-8954
(Industry must go to the 3rd Floor Reception upon arrival to sign-in and be given a visitor tag)

When – 10 am to 3 pm

February 23, 2006
March 30, 2006

D. INFRASTRUCTURE DATA CHANGES

Client ID Listing

The BA Identifiers Report is a directory of Business Associate (BA) names, codes, status (e.g. struck, active, amalgamated, etc.), status effective dates, and effective August 2004, includes Working Interest Owner (WIO) role start/end dates.

This report is also published daily on the Petroleum Registry website at:

http://www.petroleumregistry.gov.ab.ca

The department reminds Business Associates to review their WIO role to ensure the start and end dates are reflected correctly. If the BA does not have an active WIO role, the operators cannot allocate volumes to the BA for the relevant production periods through the SAF/OAF allocations.

- If a BA has a WIO start date with no end date, then that BA can receive allocations from the stated start date forward.
- If a BA has a WIO start and end date, then they can only receive allocations from the stated start date until the end date. Any allocations after the end date will be rejected.
- If a BA does not have a WIO start date, then that BA cannot receive allocations at all.

Please contact Client Registry at (780) 422-1395 if you have any questions regarding the information supplied on this listing.

Projects/Blocks

If information is required on Projects or Blocks, please contact Isabelle Warwa at (780) 427-8952.

Client Status Changes

Clients must ensure that all royalty documents are completed using only valid client names and IDs. It is critical that royalty clients use current legal client names and their appropriate IDs on all documents to ensure accurate royalty calculation and to prevent provisional assessment and penalties. Rejects will occur when invalid IDs are used.

If you require information regarding client names or IDs, please contact Client Registry at (780) 422-1395.

The following is a list of struck, dissolved, cancelled and revived clients:

Company Name	Client ID	Struck Date
Diamond D Ranching & Holdings Co. Ltd.	0F3J	December 2, 2005
Impel Management Inc.	A0GK	December 2, 2005
Kelowna Oil & Gas Ltd.	0H4P	December 2, 2005
Launch Resources Inc.	0A7L	December 2, 2005
NGL Enterprises Inc.	0K4Y	December 2, 2005
Range Energy Inc.	0WE5	December 2, 2005
T.X. Holdings Ltd.	0M9N	December 2, 2005

Company Name	Client ID	Dissolved Date
703438 Alberta Ltd.	0D5K	December 22, 2005
Accu-rate Production Services Inc.	A11Y	December 20, 2005
Cadmus Resources Ltd.	A0CN	December 22, 2005
Infiniti Resources International Ltd.	0RK9	December 15, 2005
Loon Creek Petroleum Ltd.	0J1A	December 15, 2005
Patch Projects Inc.	0WJ6	December 22, 2005
Taurus Exploration Ltd.	0YB2	December 16, 2005
Thunder Road Resources Ltd.	0N1Z	December 31, 2005
Company Name	**Client ID**	**Cancelled Date**
TDC Canada Inc.	0N0J	December 2, 2005
Company Name	**Client ID**	**Revived Date**
Classic Energy Inc.	A0C4	December 15, 2005
Ice River Oil & Gas Ltd.	0BT8	December 1, 2005

Nova Tolls - Multiple Gas Reference Prices

Royalty information related to the implementation of the Factor Model negotiated with industry for determining Multiple Gas Valuation Prices is provided on the Natural Gas website's Royalty Related Information page under Facility Royalty Trigger Factors and Meter Station Ties.

E. REMINDERS

New and Revised Meter Station Factors

The department has published in Information Letter 2005-32, new and revised Meter Station Factors, which are effective from the stated production month until otherwise changed. Meter Station Factors for those prescribed effective October 2005 are also identified.

If you have any questions, please contact Bill Zanewick, Director Gas Royalty Valuation and Markets Division at (403) 297-5465 or e-mail at bill.zanewick@gov.ab.ca.

Statutory Requirement and Recalculation of 2001 Royalty

2001 Production Year Becoming Statute Barred

The 2001 production year became statute barred on December 31, 2005, four years after the end of the production year.

Extension of Time for Recalculation of Royalty for a Statute Barred Year

Section 38 of the Mines and Minerals Act provides for recalculation of royalty that can be initiated in one of two ways:

a) On the department's initiative in conjunction with an audit or examination; or
b) At the request of a royalty payer.

A royalty client may make a written request for extension of time for recalculation of royalty. All requests must be received by the department prior to the end of the fourth year (i.e. December 31) after production, before the year becomes statute barred.

Industry Recalculation of 2001 Royalty

Industry initiated royalty recalculation requests for the 2001 production year must have been submitted in writing to the attention of Chris Nixon of the Gas Royalty Client Services by December 31, 2005.

2001 Audits in Progress

Non-operator partners are advised that certain 2001 capital cost, custom processing, EOR audits, and reporting discrepancy audits are currently in progress. Completion of the audits and royalty, if required, will occur in 2006. For a complete listing of the affected EUB facilities and EOR schemes, refer to Attachment 4.

Royalty clients are also reminded that amendments received by the department in the fourth year following the production year may be subject to audit. If the amendments were received late in the fourth year and insufficient time was available for the department to commence a review of the amendments prior to the end of the year, the department reserves the right to commence the audit at the beginning of the fifth year.

If you have any questions, please contact Chris Lawton of the Compliance & Assurance group at (403) 297-6746.

Deep Gas Royalty Holiday Program – Well Process Status

Discussions with industry, the department and the Energy and Utilities Board (EUB) have identified a need to publish an "In-progress" status of potentially eligible deep gas royalty exempt wells.

In response to this need, the department has developed a spreadsheet that identifies the processing stages of potentially eligible deep gas royalty exempt wells. Effective January 2006, an Excel spreadsheet will be accessible through the department's website and available for downloading by industry users. The website will be published upon completion of the spreadsheet. In addition, the website will contain a legend describing the process stages as follows:

Blank Status:	First appearance of potential eligible wells requiring determination this month.
Status 1 – Registered:	Well has been recognized by the department and assigned an exemption number.
Status 2 - EUB Consultation:	Well has been sent to the EUB for technical evaluation.
Status 3 – Approved:	The department has received the EUB evaluation and exemption calculation has begun.

Status 4 – Confirmed	The department has determined the calculation of the exemption and has completed the data entry. Well has been set up for exemption.
Status 7 – Returned from EUB	The technical evaluation from the EUB has been received by the department.

Due to confidentiality of well data, denied wells will not be available on the website. Industry may contact Royalty Billings for inquires pertaining to wells that have been denied **provided** the following basic eligibility criteria has been met and correctly reported to the department/EUB:

- Well has, and reported, an "On Production' date
- Well has, and reported, gas production volumes
- Well depth is greater than 2,500 meters
- Well is not 100% Freehold
- Well is not identified as a Bitumen Well

Please note wells that have not met and/or reported any one or more of the attributes in the above listed criteria may be denied and will not appear on the spreadsheet. The department will not be aware of these wells potential eligibility.

Should further information be required please contact Joey Dennis at (780) 422-9260 or Lu-Enn Toon at (780) 422-9082.

Permission to Use Company E-mail Addresses for Communication Purposes

Gas Royalty Calculation is in the process of creating an e-mail contact list to aid us in communicating more effectively with our clients. This tool would be very useful for several situations. For example, to notify and forward changes to the invoice and/or Crown royalty details user defined format (UDF) layout and handbooks. In order to create this functionality we require that our industry clients submit e-mail contact information directly to us for these purposes.

E-mail contact information can be submitted using the e-mail address listed below:
bsysproj@enr.gov.ab.ca

Please direct any questions or concerns to Penny White at (780) 422-9261.

F. POINTS OF CONTACT

Petroleum Registry of Alberta

The Petroleum Registry of Alberta Service Desk is the focal point for communications with the Registry regarding preparations for, access to, or utilization of the Registry. To contact the Petroleum Registry of Alberta Service Desk call: 1-800-992-1144.

Alberta Energy Internet

Prices, Royalty Rates, and Transportation Information are available on the Alberta Energy Internet address: http://www.energy.gov.ab.ca, from "Our Business", navigate to "Natural Gas", "About Natural Gas", "Prices", "Alberta Natural Gas Reference Price (ARP)".

In addition, both the Gas Royalty Calculation Information Bulletins and Information Letters are also available on the Alberta Energy Internet address: http://www.energy.gov.ab.ca, from "Our Business", navigate to "Natural Gas", "Legislation, Guidelines & Policies".

Gas Royalty Client Services

The Gas Royalty Client Services is structured as a Business Associate client portfolio system, which assigns a given Business Associate to one of four Client Service teams. Listed below is the portfolio breakdown along with Client Service Team Leads and phone numbers. The portfolios are divided by company name and not by BA ID.

Example: If your company name is the "Gas Company" you would call C – G team at (780) 644-1202.

Business Associate	Phone Number and E-mail Address	Team Lead
Numbered companies, A, B & L	(780) 644-1201 GRCST1@gov.ab.ca	Jamie Niles (Acting)
C – G	(780) 644-1202 GRCST2@gov.ab.ca	Todd Atwood
H – P (excluding L)	(780) 644-1203 GRCST3@gov.ab.ca	Chris Nixon
Q – Z	(780) 644-1204 GRCST4@gov.ab.ca	Kamal Rajendra

Gas Royalty Reception: (780) 427-2962
Fax: (780) 427-3334 or (780) 422-8732
Alberta Toll Free: (780) 310-0000
Hours of operation are 8:15 a.m. to 4:30 p.m.
Voice messages left after 4:30 p.m. will be answered the next business day.

In situations where a company has just amalgamated or purchased another company, the general rule is to call the team that is responsible for the "Supra" business associate, or Royalty payer.

Below are some guidelines for clients who are unsure which Client Services Team to call regarding their questions.

1. **Amalgamation/consolidation** - Call the team responsible for the "Supra" business associate (Royalty Payer).

   i.e. ABC Oil and Gas amalgamates with Zed Exploration and Zed is the amalgamator (royalty payer). When calling Client Services regarding business for ABC Oil and Gas you would call Team 4 (Q-Z) (780-644-1204) because Zed Exploration is now the Supra business associate and royalty payer. This rule would apply even if you were calling regarding business that is prior to the acquisition or amalgamation.

2. **Asset Purchase** - Call the team responsible for your company.

   i.e. 123 Gas purchases the assets of TSP Exploration, but not the company. When calling Client Services regarding business for 123 Gas you would call Team 1 (# Co., A, B, & L) (780-644-1201) because you have only purchased assets. You would not be entitled to information regarding business for TSP Exploration that is prior to the asset purchase.

3. **Consultants/service providers** - If you have a contract to provide production accounting services to a company, call the team responsible for your client's company.

   i.e. Paul Snow Consulting Services enters into a contract with Duckback Oil and Gas and Olive Oil and Gas. Paul Snow would contact Team 2 (C-G) (780-644-1202) to discuss Duckback Oil business and Team 3 (H-P excluding L) (780-644-1203) to discuss Olive Oil and Gas business. At the time the contract is signed, Paul Snow would have had each company notify the appropriate team that he was authorized to access information for their company.

Reference Prices and Valuation Allowances Calculation Information

Gas Royalty Valuation and Markets
300, 801 – 6 Avenue SW
Calgary, Alberta T2P 3W2
Telephone (403) 297-5514
Fax (403) 297-5400

Calgary Information Centre

300, 801 – 6 Avenue SW
Calgary, Alberta T2P 3W2
Telephone (403) 297-6324
Fax (403) 297-8954

Alberta Royalty Tax Credit Information

Alberta Finance, Tax and Revenue Administration
Tax Services
Telephone: (780) 427-3044
Alberta Toll Free: (780) 310-0000
Fax: (780) 427-5074
For further information, please contact Tax Services at (780) 427-9425.

Deen Khan
Director, Gas Royalty Calculation
Gas Development

Attachments

2005 GAS AND ISC PRICES

MONTH	Gas Reference Price ($/GJ)	Methane ISC Reference Price ($/GJ)	Methane ISC Par Price ($/GJ)	Ethane ISC Reference Price ($/GJ)	Propane ISC Reference Price ($/GJ)	Butanes ISC Reference Price ($/GJ)	Pentanes plus ISC Reference Price ($/GJ)
JAN	6.02	5.99	5.99	6.22	6.34	6.34	6.29
FEB	5.94	5.91	5.91	6.22	6.26	6.29	6.30
MAR	6.30	6.24	6.24	6.74	6.92	6.95	6.98
APR	6.79	6.75	6.75	7.10	7.22	7.26	7.28
MAY	6.51	6.49	6.49	6.82	6.89	6.93	6.94
JUN	6.34	6.29	6.29	6.73	6.86	6.89	6.93
JUL	6.87	6.82	6.82	7.19	7.31	7.36	7.39
AUG	7.45	7.36	7.36	8.10	8.39	8.44	8.47
SEPT	9.46	9.38	9.38	10.16	10.34	10.38	10.40
OCT	11.38	11.36	11.36	11.78	11.90	11.96	12.00
NOV	10.81	10.85	10.85	10.53	10.28	10.30	10.32
DEC							

Natural Gas and NGLs Select Prices for 2005	
Commodity	2005
New Methane	1.376 $/GJ
Old Methane	0.405 $/GJ
New Ethane	1.376 $/GJ
Old Ethane	0.405 $/GJ
Propane	1.376 $/GJ
Butanes	1.376 $/GJ
Pentanes plus	49.19 $/m3

Royalty Factors for Pentanes plus		
	Base	Marginal
New Pentanes	22	35
Old Pentanes	22	50

DETAIL OF THE NOVEMBER 2005 GAS AND ISC REFERENCE PRICES						
	Gas	Methane	C2-IC	C3-IC	C4-IC	C5-IC
Weighted Average Price of Alberta	11.212	11.276	10.806	10.506	10.498	10.513
Deductions: Intra – Alberta Transportation	0.295	0.312	0.177	0.125	0.097	0.073
Marketing Allowance	0.027	0.027	0.027	0.027	0.027	0.027
Price Before Pipeline Factor	10.890	10.937	10.600	10.354	10.374	10.413
Pipeline Fuel/Loss Factor	.990	.990	.990	.990	.990	.990
Price before Special Adjustment	10.780	10.826	10.493	10.249	10.269	10.307
Special Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Price before 2% amendment limitation or rounding	10.780	10.826	10.493	10.249	10.269	10.307
Amendments: Carry forward (from previous RP month)	0.002	-0.005	0.001	0.000	0.004	-0.005
Prior Period Amendment Adjustment (current RP month)	0.028	0.030	0.033	0.028	0.023	0.017
Calculated RP after Amendments	10.810	10.851	10.527	10.277	10.296	10.319
NOVEMBER 2005 Reference Price	**10.81**	**10.85**	**10.53**	**10.28**	**10.30**	**10.32**
Difference = value carried forward to next RP month	0.000	0.001	-0.003	-0.003	-0.004	-0.001
Adjusted IATD (before Prior Period Amendments)	n/a	0.309	0.177	0.124	0.096	0.073
Prior period Amendments (IATD and Pipeline Fuel Loss)	n/a	0.000	0.000	0.000	0.000	0.000
Adjusted IATD (after Prior Period Amendments)	n/a	0.309	0.177	0.124	0.096	0.073

2004 Weighted Average Reference Price ($/GJ)
5.995

2004 Weighted Average OMAC ($/GJ)
0.021

2005
NATURAL GAS LIQUIDS PRICES

MONTH	Ethane Reference Price ($/GJ)	Ethane Par Price ($/GJ)	Propane Reference Price ($/m3)	Propane Par Price ($/GJ)	Propane Floor Price ($/m3)	Butanes Reference Price ($/m3)	Butanes Par Price ($/GJ)	Butanes Floor Price ($/m3)	Pentanes plus Reference Price ($/m3)	Pentanes plus Par Price ($/m3)	Sulphur Default Price ($ per tonne)
JAN	6.22	6.22	213.42	6.34	182.74	286.23	6.34	229.22	420.54	392.96	30.62
FEB	6.22	6.22	212.28	6.26	181.37	299.63	6.29	230.67	466.37	434.07	35.01
MAR	6.74	6.74	252.62	6.92	211.93	319.32	6.95	247.32	466.81	449.92	32.65
APR	7.10	7.10	247.29	7.22	222.85	285.54	7.26	266.90	458.62	435.93	29.86
MAY	6.82	6.82	242.50	6.89	218.28	256.14	6.93	235.69	419.68	399.43	36.22
JUN	6.73	6.73	269.28	6.86	227.24	265.16	6.89	245.76	450.01	436.18	37.47
JUL	7.19	7.19	260.68	7.31	234.97	312.47	7.36	267.01	467.36	447.74	37.13
AUG	8.10	8.10	269.38	8.39	248.21	326.52	8.44	290.64	534.52	512.86	36.92
SEPT	10.16	10.16	337.00	10.34	288.79	393.15	10.38	325.62	535.02	500.47	34.38
OCT	11.78	11.78	332.72	11.90	296.99	419.89	11.96	346.15	480.27	472.62	34.54
NOV	10.53	10.53	302.47	10.28	259.62	372.87	10.30	322.41	478.50	456.87	30.19
DEC											

ANNUAL SULPHUR DEFAULT PRICE				
2000	2001	2002	2003	2004
$11.03	$0.28	$6.74	$30.97	$31.98

2005
NGL TRANSPORTATION ALLOWANCE AND DEDUCTIONS

MONTH	PENTANES PLUS (a)				PROPANE AND BUTANES (b)				PENTANES PLUS, PROPANE & BUTANE (c)				FRAC. ALLOW. (per m3)
	REGION				REGION				REGION				
	1	2	3	4	1	2	3	4	1	2	3	4	
JAN	28.06	14.75	41.69	35.31	12.05	1.32	9.29*	4.47	29.23	30.73	40.55	25.96	11.50
FEB	28.42	21.08	34.92	50.06	13.03	3.86	10.67*	7.22	35.95	40.12	48.36	31.01	11.50
MAR	16.72	2.34	23.40	33.49	20.22	9.27	-13.09	10.32	14.58	27.11	38.77	22.73	11.50
APR	22.18	8.43	33.66	34.13	3.94	-8.13	-18.36	-2.09	11.48	17.04	26.24	12.67	11.50
MAY	15.27	16.96	37.88	22.82	2.15	-7.78	-24.30	-11.43	8.47	8.08	20.93	12.16	11.50
JUN	8.40	13.57	15.85	25.21	15.42	7.73	-2.82	6.52	16.11	12.73	22.15	20.50	11.50
JUL	16.39	18.24	42.50	15.13	15.17	3.19	-27.33	-23.36	22.65	21.58	41.87	22.87	11.50
AUG	27.06	5.53	37.70	17.63	10.64	-3.51	-37.14	-16.44	24.40	25.34	44.40	22.65	11.50
SEPT	34.08	26.94	54.00	32.97	30.17	17.04	19.45	30.23	35.97	37.44	53.12	39.82	11.50
OCT	7.47	3.51	9.62	13.71	25.37	3.40	-25.81	-4.25	22.24	21.34	38.98	27.72	11.50
NOV	23.93	12.98	30.82	21.50	15.92	-2.64	-35.30	-16.72	28.49	27.77	44.08	28.42	11.50
DEC													

(a) Pentanes Plus obtained as a specification gas product,
(b) Propane and Butanes obtained as specification products, and
(c) Pentanes Plus, Propane and Butane contained in a natural gas liquids mix.

* Current month calculated allowance is based on an estimate.

Note: For details on "Prior Period Amendment Effects", see Attachment 2A.

PRIOR PERIOD AMENDMENT EFFECTS

NGL REFERENCE PRICES	NOVEMBER 2005		
	Propane	*Butanes*	*Pentanes*
Price before amendments	302.472942	372.864176	478.505064
Opening Rollover (from prior business mth)	-0.004532	0.004955	-0.002401
Prior Period Amendment Adj. (NGL-1)	0.000000	0.000000	0.000000
Prior Period Amendment Adj. (NGL-100)	0.000000	0.000000	0.000000
Published Reference Price	**302.47**	**372.87**	**478.50**

TRANSPORTATION ALLOWANCES	NOVEMBER 2005											
	Pentanes Plus				Propane and Butanes				Pentanes Plus, Propane & Butane			
AMENDMENTS	Region 1	Region 2	Region 3	Region 4	Region 1	Region 2	Region 3	Region 4	Region 1	Region 2	Region 3	Region 4
Opening Rollover (from prior business mth)	0.002032	0.000546	0.004930	-0.002588	0.000992	-0.002157	0.002916	0.002356	-0.002588	0.001111	0.000412	0.001624
Prior Period Amendment Adj. (NGL1)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Prior Period Amendment Adj. (NGL-100)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Total Amendment Effect	0.002032	0.000546	0.004930	-0.002588	0.000992	-0.002157	0.002916	0.002356	-0.002588	0.001111	0.000412	0.001624
Calculated Transp. Differential	23.925179	12.982897	30.819943	21.504956	15.914092	-2.640283	-35.302910	-16.726514	28.493684	27.769092	44.082901	28.422353
Calculated Transp. Differential after Total Amendments	23.927211	12.983443	30.824873	21.502368	15.915084	-2.642440	-35.299994	-16.724158	28.491096	27.770203	44.083313	28.423977
Published Transportation Allowance	**23.93**	**12.98**	**30.82**	**21.50**	**15.92**	**-2.64**	**-35.30**	**-16.72**	**28.49**	**27.77**	**44.08**	**28.42**

*Any estimates represented by (*) are calculated as the weighted average of the other regions for the same spec product transportation allowance, since the region is zero. The weightings are based on the previous year's production.

2005
ROYALTY RATES

MONTH	METHANE-OLD (% per GJ)	METHANE-NEW (% per GJ)	ETHANE - OLD (% per GJ)	ETHANE - NEW (% per GJ)	PROPANE (% per m^3)	BUTANES (% per m^3)	PENTANES – OLD (POL) (% per m^3)	PENTANES - NEW (PNE) (% per m^3)
JAN	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.49501	33.37268
FEB	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.82696	33.52680
MAR	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.93874	33.57870
APR	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.84050	33.53309
MAY	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.55179	33.39904
JUN	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.84231	33.53393
JUL	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.92384	33.57178
AUG	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	47.31443	33.75313
SEPT	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	47.24795	33.72226
OCT	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	47.08578	33.64697
NOV	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	46.98531	33.60032
DEC								

2001 EOR Audits in Progress at December 31, 2005

Stream Code	Scheme Name	Facility	Operator	Operator Name
10222	Chevron Acheson D3A	AB IF 0009891	A0X2	Acclaim Processing
10296	Virginia Hills Unit # 1	AB IF 0007407	0JL8	Apache
10320	Gulf Goose River Misc Flood	AB IF 0009883	0FW6	ConocoPhillips
10008	Swan Hills BHL A & B Project # 125	AB IF 0009870	0F3F	Devon
10269	Mobil Rainbow AA Inj.	AB IF 0009860	0JT1	ExxonMobil
10278	Mobil Rainbow II Inj	AB IF 0009860	0JT1	ExxonMobil
10124	Rainbow South Keg River B	AB IF 0009841	0R46	Husky
10017	Rainbow Keg River A	AB IF 0009842	0R46	Husky
10026	Rainbow Keg River B	AB IF 0009842	0R46	Husky
10035	Rainbow Keg River D	AB IF 0009842	0R46	Husky
10044	Rainbow Keg River E	AB IF 0009842	0R46	Husky
10053	Rainbow Keg River G	AB IF 0009842	0R46	Husky
10062	Rainbow Keg River H	AB IF 0009842	0R46	Husky
10071	Rainbow Keg River O	AB IF 0009842	0R46	Husky
10080	Rainbow Keg River EEE	AB IF 0009842	0R46	Husky
11981	Rainbow South Keg River E	AB IF 0009842	0R46	Husky
12027	Rainbow South Keg River G	AB IF 0009842	0R46	Husky
12166	Rainbow Keg River F Project # 11	AB IF 0009842	0R46	Husky
13283	Wrentham Lower Mannville B Project # 1	AB IF 0007522	0R46	Husky
13285	Wrentham Lower Mannville C Project # 7	AB IF 0007522	0R46	Husky
10330	Pembina Nisku L Pool	AB IF 0009801	0017	Imperial Oil
10349	Pembina Nisku G Pool	AB IF 0009817	0017	Imperial Oil
10358	Pembina Nisku P Pool	AB IF 0009826	0017	Imperial Oil
10367	Pembina Nisku O Pool	AB IF 0009830	0017	Imperial Oil
10376	Pembina Nisku M Pool	AB IF 0009831	0017	Imperial Oil
10410	Wizard Lake Unit MF	AB IF 0009858	0017	Imperial Oil
10438	Pembina Nisku K Pool	AB IF 0009896	0017	Imperial Oil
10447	Pembina Nisku Q Pool	AB IF 0009898	0017	Imperial Oil
11909	Rainbow Lake FF Pool Inj	AB IF 0009864	0017	Imperial Oil
11918	Rainbow Lake T Pool Inj	AB IF 0009864	0017	Imperial Oil
11927	Rainbow Lake Z Pool Inj	AB IF 0009864	0017	Imperial Oil
10213	Chevron Pembina Nisku F	AB IF 0009872	A0C0	Keyera
10287	Wascana Joffre D3-B Miscible Flood	AB IF 0009908	0TM9	NAL Resources
10394	Judy Creek BHL A Project # 2	AB IF 0009850	0RA3	Pengrowth
10400	Judy Creek BHL B Project # 1	AB IF 0009850	0RA3	Pengrowth
10250	Joffre Viking Tertiary Oil Unit	AB IF 0009895	0BP8	Penn West Petroleum
10456	Bigoray Nisku B (Terminated April/02)	AB IF 0009802	0BP8	Penn West Petroleum
10492	South Swan Hills Unit	AB IF 0009877	0BP8	Penn West Petroleum

2001 Capital Cost Audits in Progress at December 31, 2005

AB GP 0001004	AB GP 0001326	AB GP 0001668	AB GS 0002570
AB GP 0001013	AB GP 0001343	AB GP 0001669	AB GS 0002652
AB GP 0001024	AB GP 0001345	AB GP 0001686	AB GS 0002653
AB GP 0001034	AB GP 0001351	AB GP 0001692	AB GS 0002669
AB GP 0001057	AB GP 0001357	AB GP 0001696	AB GS 0002700
AB GP 0001067	AB GP 0001360	AB GP 0001697	AB GS 0002751
AB GP 0001070	AB GP 0001364	AB GP 0001698	AB GS 0002800
AB GP 0001084	AB GP 0001380	AB GP 0001730	AB GS 0002848
AB GP 0001101	AB GP 0001383	AB GP 0001775	AB GS 0002880
AB GP 0001107	AB GP 0001391	AB GP 0001789	AB GS 0002889
AB GP 0001112	AB GP 0001417	AB GP 0001853	AB GS 0002988
AB GP 0001130	AB GP 0001427	AB GP 0001858	AB GS 0003030
AB GP 0001134	AB GP 0001468	AB GP 0001862	AB GS 0003280
AB GP 0001135	AB GP 0001482	AB GP 0001874	AB GS 0003333
AB GP 0001139	AB GP 0001497	AB GP 0001875	AB GS 0003450
AB GP 0001141	AB GP 0001506	AB GP 0001886	AB GS 0003632
AB GP 0001144	AB GP 0001511	AB GP 0001892	AB GS 0003692
AB GP 0001147	AB GP 0001520	AB GP 0001895	AB GS 0003739
AB GP 0001149	AB GP 0001522	AB GP 0001962	AB GS 0004088
AB GP 0001156	AB GP 0001524	AB GP 0001984	AB GS 0004165
AB GP 0001159	AB GP 0001548	AB GP 0001997	AB GS 0004226
AB GP 0001163	AB GP 0001553	AB GS 0002207	AB GS 0004263
AB GP 0001172	AB GP 0001561	AB GS 0002282	AB GS 0004274
AB GP 0001184	AB GP 0001566	AB GS 0002323	AB GS 0004364
AB GP 0001202	AB GP 0001577	AB GS 0002369	AB GS 0004432
AB GP 0001217	AB GP 0001609	AB GS 0002382	AB GS 0004510
AB GP 0001222	AB GP 0001629	AB GS 0002392	AB GS 0004538
AB GP 0001224	AB GP 0001630	AB GS 0002396	AB GS 0004568
AB GP 0001270	AB GP 0001634	AB GS 0002434	AB GS 0004585
AB GP 0001292	AB GP 0001645	AB GS 0002443	AB GS 0004587
AB GP 0001296	AB GP 0001664	AB GS 0002491	AB GS 0004649
AB GP 0001316	AB GP 0001666	AB GS 0002516	AB GS 0004686
AB GP 0001322	AB GP 0001667	AB GS 0002517	AB GS 0006052
			AB GS 0006055

2001 Volumetric Discrepancies – S to OAS Reconciliation Discrepancies

Facility ID
AB GP 0001144
AB GS 0006229
AB GP 0001875
AB GP 0001153
AB GP 0001331
AB GP 0001173
AB GP 0001034
AB GP 0001107
AB GP 0001383
AB GP 0001084

2001 Production Hours Amendments

Battery ID	Battery Name	Operator
AB BT 4070001	GAMBLER 8-28	0R46
AB BT 0046847	BAPSO 8-28	0R46
AB BT 0059925	COSTA 2-31	0R46
AB BT 0047786	PLEAS 3-27	0R46
AB BT 0650002	COLLK 7-9	0R46
AB BT 0047401	CONLK 10-31	0R46
AB BT 0041226	BROLK	0R46
AB BT 0067437	CHARLK 5-23	0R46
AB BT 0760004	SPELK 9-36	0R46
AB BT 9981703	FTKEN 14-10	0R46
AB BT 0061504	AMISK 6-27	0R46
AB BT 0053379	AGNLK 8-33	0R46
AB BT 0052916	CALLA 13-33	0R46
AB BT 6350005	MOONS 12-4	0R46
AB BT 2720001	DAVEY LK	0R46
AB BT 0046499	BANTR 1-16	0R46
AB BT 2850003	MCKEE 1-13	0R46
AB BT 0048567	FORES 1-14	0R46
AB BT 3340001	MIKWA 5-19	0R46
AB BT 0050368	HANDH 11-27X	0R46
AB BT 0047516	STEWART 1-23	0R46
AB BT 2610001	CRAIG 9-25	0R46
AB BT 0052494	DELIA 5-31	0R46
AB BT 4080065	ROWLE 4-9	0R46
AB BT 0052970	GODIN 2-33	0R46
AB BT 1610033	HAIG 1-17	0R46
AB BT 0061842	GALLOWAY 12-5	0R46
AB BT 0059690	VENUS 9-3	0R46
AB BT 1610003	PADDLE 11-5	0R46
AB BT 0048873	PORTAGE 9-13	0R46
AB BT 4520019	HARO 7-23	0R46
AB BT 0055590	THONO 14-9	0R46
AB BT 0056947	COLU 14-31	0R46
AB BT 0045797	AMADOU 14-3	0R46
AB BT 1610021	BOYER 12-10	0R46
AB BT 0055424	PELICAN 5-25	0R46
AB BT 0048872	CALLING LAKE	0R46
AB BT 8240001	SAVA 05-11	0R46
AB BT 0059315	COLU 7-32	0R46
AB BT 8700001	RR STOLBERG	0R46
AB BT 8110003	SALESKI 5-8	0R46